

**FISCAL YEAR 2001-02  
FUNDING AND ALLOCATION CHANGES**

**STATE GENERAL FUNDS**

The following information provides funding amounts, describes any changes in allocation methodology, and lists programs and their terms and conditions. This exhibit is provided for informational and planning purposes only. All State and federal funds to be allocated are contingent upon enactment of the FY 2001-02 Budget Act, federal appropriations and State/County contracts. For complete information on the terms and conditions of all funds and programs, please refer to the State/County Negotiated Net Amount (NNA) contract and Drug Medi-Cal (DMC) contract.

Regular State General Funds, DMC – \$62.7 million

These funds are available to counties to meet the cost of DMC services for Medi-Cal beneficiaries. Any county that elects not to, or fails to, provide or contract for DMC covered services to eligible DMC beneficiaries, in accordance with federal and state statutes, will forfeit to the Department the State General Fund (SGF) needed to match Federal Financial Participation to reimburse providers for these services. The Department will, in turn, use the SGF and contract directly with providers in that county for these services.

The Federal Medi-Cal Assistance Percentage, which is the percentage used to determine the federal share of the Medi-Cal program, has increased from 51.25% to 51.43% for FFY 2001 (which began on October 1, 2000). The increase in the federal share results in a corresponding decrease in the SGF share of the Medi-Cal program from 48.75% to 48.57%.

Please note: Beginning in FY 2000-01 the level of funding for the DMC program is determined based on caseload estimates. Therefore, the amount of funding available can increase or decrease based on the following factors: caseload, rates, services and utilization patterns. The appropriation estimate is developed in the Fall and is reviewed by the Legislature in May prior to the new fiscal year. In May, the estimate and appropriation level can be adjusted for the factors cited above. Any adjustment to the appropriation level will be reflected in the Budget Act and the Budget Act Allocation.

Regular State General Funds, Ongoing – \$24.7 million

These funds are available to counties to meet the cost of alcohol and other drug services. These funds cannot be used to match FFP in the DMC program.

Adult Treatment Services Gap – Ongoing - \$7.7 million

The Governor's Budget continues the \$7.7 million SGF in discretionary funding that began in FY 2000-01. These funds are intended to address gaps in the Adult Treatment system.

Perinatal State General Funds, Drug Medi-Cal – \$ 1.7 million

Based upon DMC caseload estimates for FY 2001-02, the appropriation for Perinatal SGF DMC decreased from \$4,024,000 (FY 2000-01) to \$1,700,600 (FY 2001-02). These funds are made available for Medi-Cal beneficiaries who are pregnant or within the prescribed postpartum period. Eligibility shall end on the last day of the calendar month in which the 60<sup>th</sup> day occurs.

Perinatal State General Funds, Ongoing – \$20 million

These funds are for programs serving populations of pregnant and postpartum women and their infants and parenting women and their children through 17 years of age. These funds cannot be used to match FFP in the DMC program. This amount includes \$3 million for the Perinatal Expansion Program.

Women and Children's Residential Treatment Services – \$6.9 million

Funding for the Women and Children's Residential Treatment Services has been augmented by \$822,000, which completes the final phase of SGF funding for the California Perinatal Expansion Programs. The funding is for nine (9) existing perinatal treatment programs that began through federal Center for Substance Abuse Treatment (CSAT) grants which have since expired. These funds cannot be used for purposes of match in the DMC program.

SGF Youth Treatment – Ongoing - \$5.7 million

The budget continues \$5.7 million SGF for discretionary youth treatment services. The "Youth Treatment Guidelines" are designed for use by the county in developing and implementing youth treatment programs funded by this ongoing allocation.

## **REIMBURSEMENTS**

Parolee Services Network – \$10.8 million

Allocations are determined by the California Department of Corrections (CDC) based on funding authority, utilization levels, and consideration of relative parolee populations in the covered counties.

## **FEDERAL TRUST FUNDS**

Federal law and regulations establish the requirements for expending these funds.

## **SUBSTANCE ABUSE PREVENTION AND TREATMENT (SAPT) BLOCK GRANT**

In FY 2000-01, the Department began tracking federal SAPT and Safe and Drug Free Schools and Communities (SDFSC) funds by grant award. Likewise, counties must track expenditures by grant award and set-aside. This allocation includes funds for one federal SAPT award. Funds from the Federal Fiscal Year (FFY) 2002 award are available for obligation and expenditure beginning October 1, 2001 through June 30, 2003. Title 42, U.S.C., Section 300x-62 was amended and the one-year obligation period has been changed to two years. The grant award period for SDFSC coincides with the SFY; the expenditure period is July 1, 2001, through June 30, 2003.

### SAPT Block Grant Discretionary Funds – FFY 2002 Award \$124.5 million

The SAPT Discretionary funds are for substance abuse treatment, prevention, and recovery services and services to specific populations such as youth and pregnant and parenting women. Public Law 106-310 repealed Section 300X-22(a), thereby eliminating the requirement that 35% of the grant be expended for alcohol related services and 35% be expended for drug related activities. The complete terms and conditions for use of the SAPT Block Grant funds will be incorporated into the Negotiated Net Amount contracts for FY 2001-02.

### SAPT Block Grant Primary Prevention Set-Aside – FFY 2002 Award \$42 million

The SAPT Prevention Set-Aside funds support primary prevention services.

### SAPT Block Grant Primary Prevention Friday Night Live – FFY 2002 Award \$552,000

The Friday Night Live (FNL) program is designed to prevent alcohol and drug use among teenagers through activities including community action, assemblies, and leadership training. Sufficient funding is available for counties wishing to start a FNL program in FY 2001-02.

### SAPT Block Grant Primary Prevention Set-Aside Club Live – FFY 2002 Award \$552,000

The Club Live (CL) prevention program is supported by the SAPT Primary Prevention Set-Aside funds and are designated to fund prevention services. Federal law and regulations establish the requirements for expending these funds. Sufficient funding is available to counties wishing to start a CL program in FY 2001-02.

SAPT Block Grant HIV Set-Aside – FFY 2002 Award \$11.1 million

Federal law requires five percent of the total Block Grant award to be expended on HIV Early Intervention (testing and counseling) services for clients in treatment programs.

SAPT Perinatal Set-Aside – FFY 2002 Award \$15.5 million

Counties may use the SAPT Perinatal Set-Aside funds to expand static capacity in existing perinatal programs, add new perinatal services or programs, and change existing programs. Counties must use these funds to maintain existing perinatal treatment capacity and programs, since the Department counts these funds toward the Perinatal Maintenance of Effort requirement. The Perinatal Program is part of the Perinatal Services Network and is subject to the requirements set forth in the *Perinatal Services Network Guidelines*.

For FY 2001-02, Alpine County has declined its share of SAPT Perinatal funds. The funds are redistributed proportionately to all participating counties.

Female Offender Treatment Services – FFY 2002 Award \$645,000

The Female Offender Treatment Project provides substance abuse treatment services for CDC inmates on parole from the California Institution for Women. Funding has remained constant for this program.

The four counties participating in the Female Offender Treatment Project (Los Angeles, Orange, Riverside and San Bernardino) are required to comply with the State-County contract terms and conditions.

SAPT Special Projects Ongoing – FFY 2002 Award \$288,000

SAPT Special Projects Limited Term – FFY 2002 Award \$48,750 (3/4 of \$65,000)

SAPT Block Grant Adolescent Treatment Program – FFY 2002 Award \$4.7 million

These funds continue funding for the 20 counties participating in the Adolescent Treatment Program.

SAPT Block Grant Adolescent Treatment Program – FFY 2002 Award \$2.666 million

These funds are allocated to all counties. The *Youth Treatment Guidelines* are designed for use in counties for developing and implementing youth treatment programs funded by this allocation.

## **SAFE AND DRUG FREE SCHOOLS AND COMMUNITIES (SDFSC)**

### SDFSC Community Based Prevention – SFY 2002 Award \$3.6 million

Use of all SDFSC grant funds must comply with requirements set forth in the SDFSC Act of 1994, Title IV of the Elementary and Secondary Education Act of 1965 (P.L. 103-382). These requirements are summarized in Exhibit C1 of the State/County contract and include authorized use of funds, allowable administrative costs, and levels of accountability.

These funds are limited to services for children and youth who are not normally served by the State or local education agencies as defined in the SDFSC Act of 1994; or populations that need special services or additional resources (such as preschoolers, youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teenagers, and school dropouts).